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MAY RIVER EXPLORATION FOCUS ON EXCITING IKU HILL PROSPECT IN EL 2527

Niuminco Group Limited (“Niuminco” or “the Company”) advises that its exploration program at May River will now focus on EL 2527 with geological fieldwork and sampling to proceed at the exciting Iku Hill prospect.

Niuminco has previously announced the grant of EL 2527 in a highly prospective area of Papua New Guinea surrounding and including the known Iku, May River target, defined during a previous program. It is located 800 kilometres north-west of Port Moresby, in West Sepik Province (Fig. 1) and is centred on $-4^{\circ} 37'S$, $141^{\circ} 38'E$. The nearest major coastal town is Wewak, 250km to the east-north-east (Figure 1).



Figure 1: Papua New Guinea with May River EL 2527 location

EL 2527 adjoins the massive Frieda River copper-gold project (21M ozs Gold, 13M t Copper) and the main target Iku is 9km west of Nena and 12km west of Horse-Ivaal.

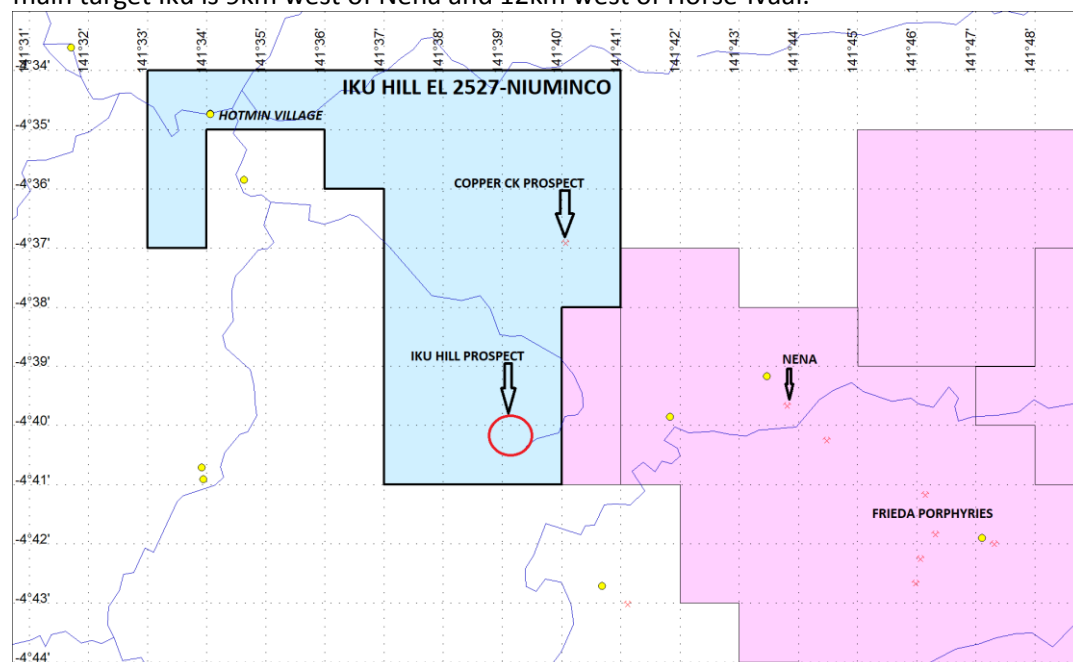


Figure 2: EL 2527 with locations of Hotmin, Iku, Nena and Frieda porphyries.

The village of Hotmin, on May River, 10km to the north-west of Iku, has a serviceable airstrip and Niuminco has used this as a base camp and held successful Warden's Hearings here (Figure 3).



Figure 3: Hotmin airstrip and Niuminco base camp area.

Geological mapping by Geological Survey of PNG in the early 1970s delineated bodies of diorite composition intrusive into Miocene Wogamush Formation, consisting of sandstones, calcareous shales and limestones, over an area of some 100 square kilometres, including at Horse-Ivaal and Iku. Copper minerals were discovered at Horse-Ivaal during this program. Commercial exploration commenced soon after and continues to the present on this giant disseminated copper – gold porphyry deposit.

In 1991–92, Highlands Gold Development Ltd. carried out a regional airborne magnetic survey and reconnaissance geochemical stream sediment survey throughout the area surrounding Frieda. Pan concentrate sampling reported visible gold in some 80% of the broad spread of samples including from streams draining from Iku, but it seems that there was no follow-up field traversing over the formidable topography at that location. Follow-up was restricted to other areas in the district.

A joint venture between Niuminco and Mincor acquired and reprocessed the Highlands airborne magnetics survey data in 2012, defined several highly prospective targets and then flew another survey over those target areas using VTEM and ZTEM methods. Magnetics are very useful in defining the shapes of the diorite intrusive bodies as they tend to contain magnetite. VTEM (Versatile Time Domain Electromagnetic) surveys are useful in determining zones of high electrical conductivity such as sulphides, while ZTEM (Z-Axis Tipper Electromagnetic) is a technique that measures low resistivity and is therefore pertinent to conductive sulphide bearing areas, similar to Nena. Subsequent joint venture activity in the area was limited and mainly restricted to other projects elsewhere within PNG.

At Iku an intense magnetic target was defined over an area of a two kilometres diameter, of a similar magnitude and intensity as the Horse-Ivaal anomaly, and also demonstrated similar east-north-east- and north-west intersecting fault systems and intrusion orientations as the latter (Figure 4).

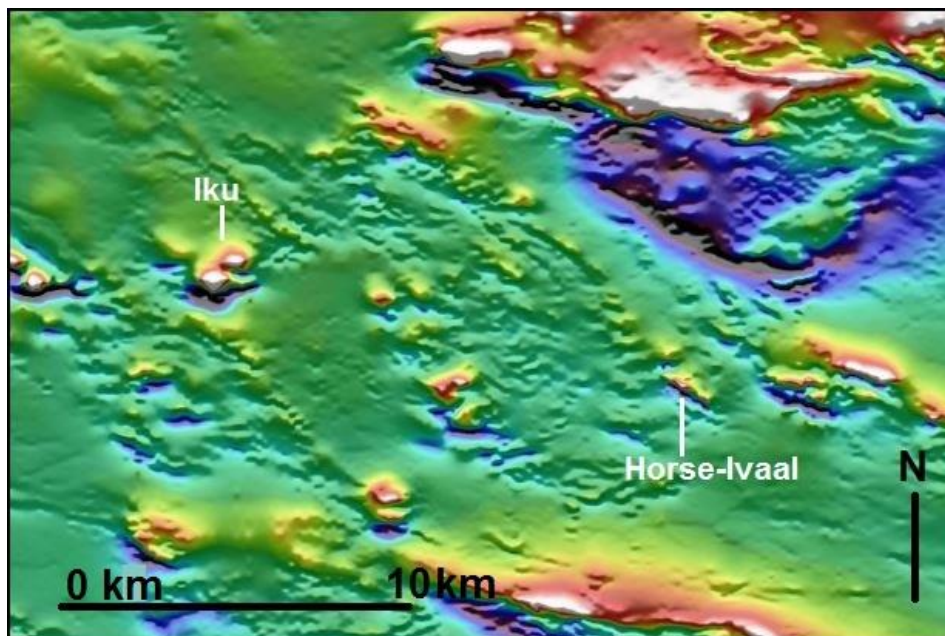


Figure 4: Total Magnetic Intensity showing Iku and Horse-Ivaal anomalies

The image below shows that the intense magnetic anomaly is haloed by a series of strong VTEM and ZTEM anomalies (Figure 5).

Given that porphyry copper-gold systems such as Horse-Ivaal commonly have a concentrated halo of sulphides with the highest metal grades around the edges of the host intrusive bodies, these results for Iku are considered to be very encouraging.

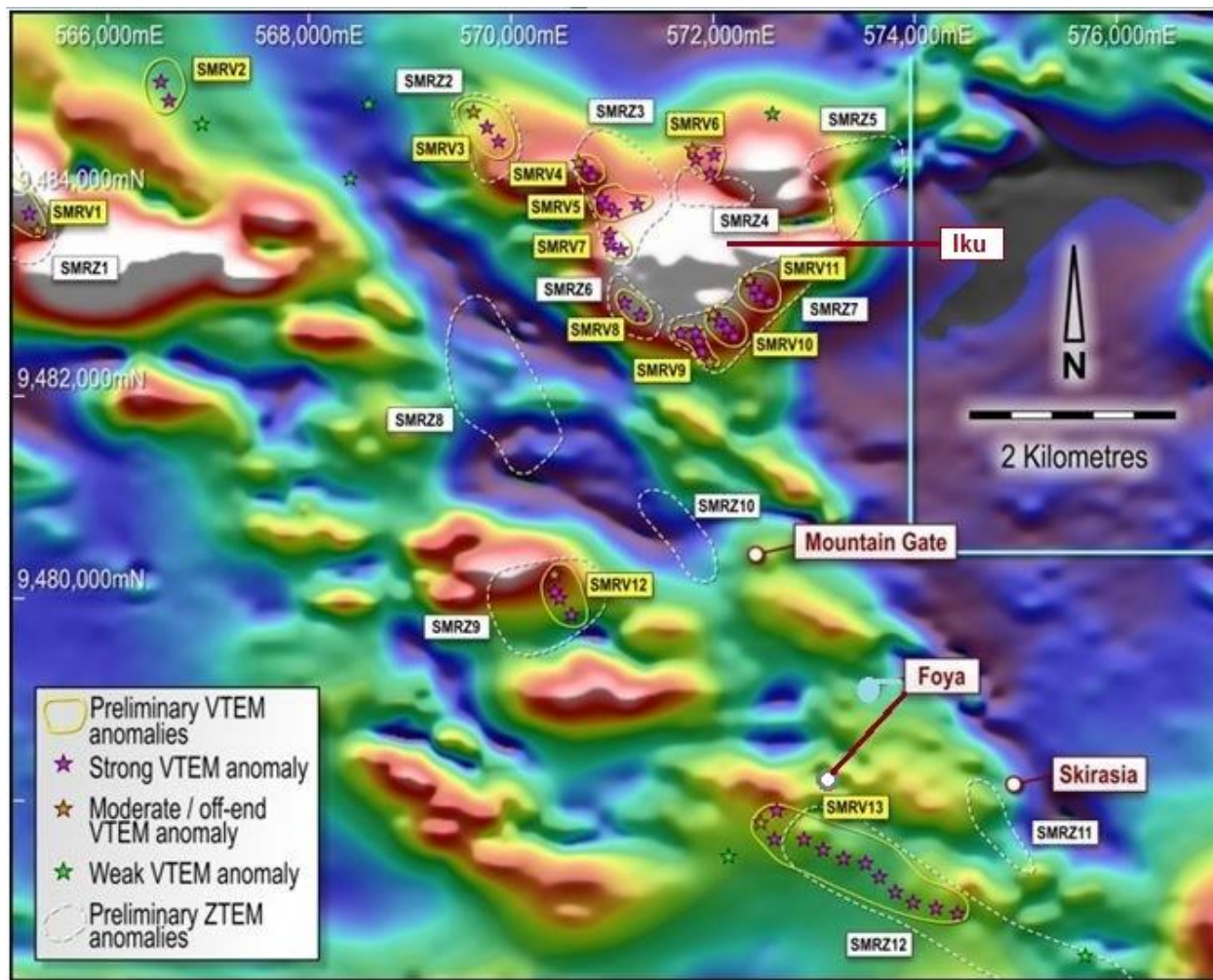


Figure 5: Iku TMI anomalies with halo of VTEM and ZTEM anomalies.

Field traversing and rock chip sampling of the VTEM and ZTEM anomalous areas are proposed as initial follow-up around Iku, to confirm the presence of sulphides and determine if gold and copper are present.

7 September, 2018

Mr Tracey Lake
Managing Director

The information in this report that relates to exploration results is based on Information reviewed by John Nethery (BSc Dip Ed.) who is a Fellow of the Australasian Institute of Mining and Metallurgy (Chartered Professional) and a Fellow of the Australian Institute of Geoscientists. Mr Nethery has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. He consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

